

CHAPTER TWELVE

PUBLIC FACILITIES – INFRASTRUCTURE REQUIREMENTS MONITORING AND COMPLIANCE REVIEW

General Instructions to Monitoring Staff:

This review should be conducted “on-site” through review of grantee policies and procedures, review of general files, examination of actual case files (as appropriate) selected at random by the Reviewer, inspection of work sites, and interviews of key staff and contractors and/or beneficiaries as relevant. The issues and concerns identified in this on-site review of the grantee’s public facilities and/or infrastructure activities should be noted on the Public Facilities & Infrastructure Requirements – Summary Page for Monitoring and Compliance Review found at the end of this chapter.

A. GENERAL INFORMATION

Date(s) of On-Site Review: _____

Grantee/Project Name: _____ Program Year: _____

Grant #: _____ Grant Term: _____

Local Staff (and Contractors or Beneficiaries) Interviewed:

Name: _____ Title: _____ Location: _____ Date of Interview: _____ Telephone #/e-mail: _____

B. ISSUES FROM GENERAL PROJECT INFORMATION SUMMARY: *Note: Please refer to Section D of the General Project Information Summary (Chapter One). Any Public Facilities or Infrastructure issues that emerged from the completion of Chapter One should be addressed through interviews with the local project staff and/or on-site file reviews. These issues can be addressed at the beginning of the monitoring visit, or at whatever point in the monitoring visit the Reviewer feels is appropriate.*

Issues for On-Site Follow-Up	Related Questions/Citations	Staff Response and/or Resolution
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Additional Instructions to Monitoring Staff:**PUBLIC FACILITIES AND INFRASTRUCTURE**

The focus of the Maryland CDBG Program monitoring and compliance review is to ensure that the grantee is implementing the project as approved (for example, see Section 6 and Exhibit A of the Grant Agreement). The review is also meant to ensure that the grantee is making substantial progress according to the work program and schedule contained in the application for CDBG funding and the Grant Agreement (per Section 7 and Exhibit C of the Grant Agreement). Furthermore, DHCD staff must be assured that grant funds are being used to leverage private and other public funds, as pledged by the grantee in its application and as reflected in Exhibit B of the Grant Agreement.

Maryland CDBG Program grantees receive monies for community infrastructure and public facilities projects that meet the following objectives:

- Provide the majority of the program benefit to low and moderate income people;
- Correct or reduce problems affecting the environment, public health and safety; and/or
- Provide infrastructure needed for priority community development projects.

The community infrastructure monitoring review is an integral part of the monitoring and compliance reviews contained in other chapters of this Handbook. Therefore, the review forms contained in this chapter should be completed in coordination with the monitoring reviews reflected in other appropriate Handbook chapters. In particular, the other sections of this Handbook that have special relevance to, and typically should inform the community infrastructure monitoring review (and vice versa), include:

- Chapter Two – Environmental Review
- Chapter Three – General Project Management/Record-keeping
- Chapter Four – Financial Management
- Chapter Five – Procurement and Bonding
- Chapter Eight – Property Management
- Chapter Ten – Labor Standards (especially if outside contractors used)

Other sections of the Handbook should be cross-referenced as necessary. For example, if the infrastructure project entails acquiring property that was previously privately-owned, the portions of the Handbook dealing with acquisition and relocation (Chapters Six and Seven) should be consulted.

IN-HOUSE REVIEW

In monitoring community infrastructure projects, DHCD staff must be assured that the grantee has: (a) an adequate plan for facility maintenance and repair; and (b) certified that, if a public improvement has been funded in whole or in part with CDBG funds, it has not attempted to recover the CDBG portion of the capital costs of the public improvements by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to public improvements. Special assessments for recovering the non-CDBG portion of the capital costs for the public improvement may only be charged if:

- A. CDBG funds are used to pay the special assessment on behalf of the properties owned and occupied by persons of low and moderate income;

- B. Or, unless the grantee (when permitted by the State) certifies that it lacks sufficient Maryland CDBG funds to comply with the requirements of (A), above.

The Reviewer's in-house preparations for the monitoring visit will typically include the following:

- Review Grant Agreement and approved application.
- List other relevant monitoring and compliance reviews that apply to the project (e.g., Procurement, Property Management, etc.)
- Meet with appropriate DHCD technical specialists to identify potential concerns and issues.
- Review grantee file and progress reports to determine current project status.
- Review Requests for Payment to determine amount and purpose of Maryland CDBG funds disbursed by the project to date.
- Identify whether the project activities entail special assessments.

ON-SITE REVIEW

DHCD staff will compare actual project progress to representations made to the Maryland CDBG Program through grantee reports and on Requests for Payment. Furthermore, a comparison should be made between anticipated project objectives (e.g., benefit to low and moderate income individuals and families, correct public health hazard, etc.) and actual project beneficiaries or community infrastructure problems corrected.

The steps in the on-site review will typically entail the following:

- Review overall project status with grantee.
- Review project files and (as applicable) construction contracts.
- Identify evidence that the project is satisfying a National Objective either through:
 - Principally benefiting low and moderate income individuals and families;
 - Aiding in the prevention or elimination of slums or blight; or,
 - Providing infrastructure needed to meet community development needs of a particular urgency.
- Make physical inspection of project activities.
- Interview local project staff.

In performing the program monitoring and compliance review, DHCD staff must closely consider several aspects of the grantee's performance. These include the grantee's implementation of the project consistent with the approved design, and its compliance with pertinent Federal, State, and local regulations, on both a program-wide and an individual case-by-case basis.

All issues identified during the on-site review of the grantee's infrastructure or public facilities project should be noted on the Public Facilities & Infrastructure Requirements – Summary Page for Monitoring and Compliance Review found at the end of this chapter of the Handbook.

PROJECT DESCRIPTION: Please provide a brief description of the project being monitored, based on the approved application, Grant Agreement and any amendments. The Reviewer can determine how much detail is useful to provide in this section, but typically the description should specify the project location, amount of funding, nature of activities, and specific goals. (The Reviewer can use the General Project Information Summary forms in Chapter One to obtain much of this information.)

C. PUBLIC FACILITIES AND INFRASTRUCTURE REQUIREMENTS

PUBLIC FACILITIES – INFRASTRUCTURE CHECKLIST	Documentation Indicates That General Program Practice Consistent with Maryland CDBG Policies and Regulations and Grant Agreement?	Sample Case # _____ (As Applicable)	Comments and Description of Documentation or Issues:
COMPLIANCE WITH ELIGIBILITY REQUIREMENTS AND APPROVED PROJECT DESIGN			
1. Project Commencement: Did commencement of the project occur on or after the effective date(s) of the Grant Agreement and DHCD's approval of the Request for Release of Funds? <i>See Chapter Two – Environmental Review</i>	Yes No		
2. Project Consistent with Approved Grant Application and Grant Agreement?: Are the project and its component activities being implemented consistent with the approved grant application and the project description incorporated in <i>Exhibit A of the Grant Agreement?</i> 2.1 If “No”, and the changes meet the threshold for formal amendments specified in <i>Section 6c of the Grant Agreement,</i> did the grantee seek a formal amendment?	Yes No Yes No	Yes No Yes No	If “No”, discuss the ways in which the implemented project is not consistent (e.g., change in location, scope, type of activities, approach to satisfying National Objective, allocation of funds among activities?)

<p align="center">PUBLIC FACILITIES – INFRASTRUCTURE CHECKLIST</p>	<p align="center">Documentation Indicates That General Program Practice Consistent with Maryland CDBG Policies and Regulations and Grant Agreement?</p>	<p align="center">Sample Case # _____ (As Applicable)</p>	<p align="center">Comments and Description of Documentation or Issues:</p>
<p>3. Eligibility of Activities: Are the activities that are being implemented with funds from the Maryland CDBG Program grant <u>eligible</u>?</p> <p>3.1 If the grantee is imposing special assessments relative to the public improvements, are these assessments in compliance with the regulations at 24 CFR 570.482(b)?</p>	<p align="center">Yes No</p> <p align="center">Yes No</p>	<p align="center">Yes No</p> <p align="center">Yes No</p>	
<p>4. Satisfaction of National Objective(s): Which National Objective does the project seek to satisfy? (check one)</p> <p>Principal benefit to LMI Persons: <input type="checkbox"/></p> <p>Aid in prevention or elimination of slums or blight <input type="checkbox"/></p> <p>Meet critical community development need having particular urgency <input type="checkbox"/></p> <p>4.1 Is this approach to satisfying the National Objective reasonable in light of the project design and how it is being implemented?</p> <p><i>Note: A more complete assessment of the grantee's approach to satisfying the National Objective should be conducted as part of the monitoring review of General Project Management (see Chapter Three).</i></p>	<p align="center">Yes No</p>	<p align="center">Yes No</p>	

PUBLIC FACILITIES – INFRASTRUCTURE CHECKLIST	Documentation Indicates That General Program Practice Consistent with Maryland CDBG Policies and Regulations and Grant Agreement?	Sample Case # _____ (As Applicable)	Comments and Description of Documentation or Issues:
<p>5. Supporting Documentation: Do project records exist that adequately document activities, progress, and actual project costs to date?</p> <p>5.1 Are the actual costs for progress to date consistent with the figures proposed in the application and reflected in the Grant Agreement?</p> <p><i>See Chapter Three – General Project Management and Record-keeping, and Chapter Four – Financial Management.</i></p>	<p>Yes No</p> <p>Yes No</p>		<p>If “No”, explain:</p>
<p>6. Leveraging of Other Resources: If the project was expected to leverage other private or public investment (per the grant application and Exhibit B of the Grant Agreement), have all the other sources of funds been secured and applied to the project?</p>	<p>Yes No</p>		<p>If “No”, please explain:</p>
ASSESSMENT OF SATISFACTORY PERFORMANCE			
<p>7. Conformance with Implementation Schedule: Is the project complete or proceeding in accordance with the Implementation Schedule specified in Exhibit C of the Grant Agreement?</p>	<p>Yes No</p>		<p>If “No”, please explain:</p>
<p>8. Supervision of Force Account Labor: If the project is being undertaken through the grantee’s “force account” labor, is there evidence that the grantee is maintaining adequate oversight of such labor and supervision the work sites?</p>	<p>Yes No</p>	<p>Yes No</p>	<p>Briefly describe how grantee maintains oversight:</p>

<p align="center">PUBLIC FACILITIES – INFRASTRUCTURE CHECKLIST</p>	<p align="center">Documentation Indicates That General Program Practice Consistent with Maryland CDBG Policies and Regulations and Grant Agreement?</p>	<p align="center">Sample Case # _____ (As Applicable)</p>	<p align="center">Comments and Description of Documentation or Issues:</p>
<p>9. Grantee Oversight of Contractors: If the project is being undertaken with outside contractors, is there evidence the grantee is adequately monitoring and enforcing the terms of the contract and contractor performance?</p> <p><i>See Chapter Five – Procurement, and Chapter Ten – Labor Standards.</i></p>	<p align="center">Yes No</p>	<p align="center">Yes No</p>	<p>Briefly describe how grantee maintains oversight:</p>
<p>10. Site Inspection: Does a site inspection by the Reviewer support the information on activities and project status supplied by the grantee and/or represented by the documentation in the project files?</p>	<p align="center">Yes No</p>	<p align="center">Yes No</p>	
<p>11. Quality of Work: Does the site inspection by the Reviewer indicate that work is being completed in an acceptable, workmanlike manner?</p>	<p align="center">Yes No</p>	<p align="center">Yes No</p>	

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<p>12. Achievement of Identified Goals/Objectives: Has the public benefit described in the approved application been realized (or can be expected to be realized before the conclusion of the project) in terms of:</p> <ul style="list-style-type: none"> - Completing the scope of public improvements envisioned? - Serving the projected number and types of beneficiaries? - Resolving the underlying problem(s) or negative conditions that were described in the grantee's application for Maryland CDBG funding? 	<p>Yes No</p> <p>Yes No</p> <p>Yes No</p>		<p>If "No", please explain:</p>
<p>13. Maintenance of Infrastructure/Public Facilities: Does the grantee have an adequate mechanism in place to maintain the public improvements and keep them in good repair?</p> <p><i>See Chapter Eight – Property Management</i></p>	<p>Yes No</p>		<p>If "No", please explain:</p>

PUBLIC FACILITIES – INFRASTRUCTURE REQUIREMENTS

SUMMARY PAGE FOR MONITORING AND COMPLIANCE REVIEW

Instructions to Monitoring Staff:

In the space below, please note any issues arising from the review. For any concerns or findings identified during the review, provide amplification as necessary, and specify corrective actions that the grantee must take to resolve the issue(s). Also describe the nature of any technical assistance provided during the review. List any follow-up action for the DHCD staff and/or the grantee, and the dates by which such actions must be taken.

Issues/Concerns/Findings (and Relevant Citations):

Necessary Action Steps and/or Resolution (and Deadlines):

Based on the evidence reviewed, has the grantee complied with appropriate Public Facilities - Infrastructure requirements? Yes No

Maryland DHCD Staff Conducting Review: _____

Date Review Completed: _____